

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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W-02102B
Rancho Del Conejo Community Water Co-Op, Inc.
13130 W Rudasill Rd
Tucson, AZ 85743

RECEIVED

MAR 16 2010

AZ CORP COMM
Director Utilities

ANNUAL REPORT
WATER

FOR YEAR ENDING

12	31	2009
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FOR COMMISSION USE

ANN 04	09
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PROCESSED BY:

3-16-10

SCANNED

COMPANY INFORMATION

Company Name (Business Name)	Rancho Del Conejo Community Water Co-op, Inc.		
Mailing Address	13130 W. Rudasill Road		
	(Street)		
Tucson	AZ	85743	
(City)	(State)	(Zip)	
520-682-8335	520-682-8335		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			
Local Office Mailing Address	Same as above		
	(Street)		
(City)	(State)	(Zip)	
Local Office Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			

MANAGEMENT INFORMATION

Management Contact:	David Putnam	President	
	(Name)	(Title)	
13130 W. Rudasill Rd.	Tucson	AZ	85743
(Street)	(City)	(State)	(Zip)
520-682-8335	520-682-8335		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			
On Site Manager:	David Putnam		
	(Name)		
13130 W. Rudasill Road	Tucson	AZ	85743
(Street)	(City)	(State)	(Zip)
520-682-8335	520-682-8335		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			

Statutory Agent <u>Larry Udall</u>			
(Name)			
2712 N. 7 th St.	Phoenix	AZ	85006
(Street)	(City)	(State)	(Zip)
602-393-1700			
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: <u>Larry Udall</u>			
(Name)			
2712 N. 7 th St.	Phoenix	AZ	85006
(Street)	(City)	(State)	(Zip)
602-393-1700			
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

OWNERSHIP INFORMATION

Check the following box that applies to you company:

<input type="checkbox"/> Sole Proprietor (S)	<input type="checkbox"/> C Corporation (C) (Other than Association/Co-Op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-Op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input checked="" type="checkbox"/> Other (Describe) <u>Non-Profit Corporation (Co-op)</u>	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input checked="" type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1813	---	1813
302	Franchises			
303	Land and Land Rights	10942	---	10942
304	Structures and Improvements	15040	8759	6281
307	Wells and Springs	153629	50673	102956
311	Pumping Equipment	141545	107224	34321
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	17162	17162	---
331	Transmission and Distribution Mains	447109	217044	230065
333	Services	43154	17684	25470
334	Meters and Meter Installations	40129	36804	3325
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	9362	3962	5400
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	5793	4105	1688
344	Laboratory Equipment			
345	Power Operated Equipment	19900	12075	7825
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	905578	475492	430086

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1813	---	
302	Franchises			
303	Land and Land Rights	10942	---	---
304	Structures and Improvements	15040	3.33%	501
307	Wells and Springs	153629	3.33%	5121
311	Pumping Equipment	141545	12.50%	17693
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	17162	5.00%	Fully Depreciated
331	Transmission and Distribution Mains	447109	2.00%	8942
333	Services	43154	3.33%	1438
334	Meters and Meter Installations	40129	8.33%	3344
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	9362	6.67%	624
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	5793	5.00%	290
344	Laboratory Equipment			
345	Power Operated Equipment	19900	5.00%	995
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	905578		38948

This amount goes on Comparative statement of Income and Expense Acct. No. 403.

Less: Amortization of Contributions in Aid of Construction

(10181)
\$ 28767

See Accountants' Report.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 98627	\$ 85634
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	11328	13074
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	2932	3009
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 112887	\$ 101717
	FIXED ASSETS		
101	Utility Plant in Service	\$ 876658	\$ 905578
103	Property Held for Future Use	10000	128698
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(436544)	(475492)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 450114	\$ 558784
	TOTAL ASSETS	\$ 563001	\$ 660501

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	8176	11417
236	Accrued Taxes	522	487
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 8698	\$ 11904
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes Payable	\$ 245612	\$ 358402
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ -	\$
252	Advances in Aid of Construction	17440	13299
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	471126	475769
272	Less: Amortization of Contributions	(194177)	(204358)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 294389	\$ 284710
	TOTAL LIABILITIES	\$ 548699	\$ 655016
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	14302	5485
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 14302	\$ 5485
	TOTAL LIABILITIES AND CAPITAL	\$ 563001	\$ 660501

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 128477	\$ 133176
460	Unmetered Water Revenue		
474	Other Water Revenue	11705	11457
	TOTAL REVENUES	\$ 140182	\$ 144633
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 33999	\$ 35956
610	Purchased Water		
615	Purchased Power	22034	26931
618	Chemicals		
620	Repairs and Maintenance	2456	1839
621	Office Supplies and Expense	8061	8365
630	Outside Services	7700	12164
635	Water Testing	1993	2259
641	Rents		
650	Transportation Expense	2734	2561
657	Insurance – General Liability	4635	6130
659	Insurance – Health and Life	8907	5839
666	Regulatory Commission Expense – Rate Case	246	3340
675	Miscellaneous Expense	1734	631
403	Depreciation Expense	25265	28767
408	Taxes Other Than Income	1136	4233
408.11	Property Taxes	8448	8140
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 129348	\$ 147155
	OPERATING INCOME/(LOSS)	\$ 10834	\$ (2522)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 263	\$ 71
421	Non-Utility Income	842	6100
426	Miscellaneous Non-Utility Income		
427	Interest Expense	(12586)	(12466)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (11481)	\$ (6295)
	NET INCOME/(LOSS)	\$ (647)	\$ (8817)

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	5/16/2002	11/21/2008		
Source of Loan	U.S.D.A.	WIFA		
ACC Decision No.	61733	70311		
Reason for Loan	Plant Upgrade	Arsenic Removal System—Well #3		
Dollar Amount Issued	\$ 266300.00	\$ 116149.76	\$	\$
Amount Outstanding	\$ 242252.22	\$ 116149.76	\$	\$
Date of Maturity	6/30/2041	11/01/2028		
Interest Rate	5.00%	%	%	%
Current Year Interest	\$ 12204.35	\$	\$	\$
Current Year Principal	\$ 3359.65	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 11417

Meter Deposits Refunded During the Test Year \$ 1456

COMPANY NAME	Rancho Del Conejo Community Water Co-op, Inc.
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (Inches)	Year Drilled
55-622-894	7.5	45	500	7-1/2	2-1/2	1969
55-622-895	40.0	200	600	12	3	1972
55-579-159	40.0	200	800	8	3	2000

*Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (Gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	1		
10	2		
20	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
150000	1	N/A	1
20000	1	1000	1
6000	1	5000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME Rancho Del Conejo Community Water Co-op, Inc.	
Name of System	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	PVC	1272
3	PVC	12370
4	PVC	8820
5	PVC	NONE
6	PVC	28470
8	PVC	400
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 x 3/4	305
3/4	13
1	17
1 1/2	
2	
Comp. 3	
Turbo 3	1
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

NONE

STRUCTURES:

NONE

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME Rancho Del Conejo Community Water Co-op, Inc.	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	325	1723000	1715000	
FEBRUARY	325	1790000	1946000	
MARCH	327	2624000	2812000	
APRIL	324	3289000	3523000	
MAY	324	3724000	3941000	
JUNE	325	3871000	4211000	
JULY	325	6038000	4207000	
AUGUST	325	3890000	4080000	
SEPTEMBER	324	3658000	4148000	
OCTOBER	324	2845000	2269000	
NOVEMBER	322	2858000	3639000	
DECEMBER	323	1948000	2240000	
TOTAL		38258000	38731000	TOTAL

Well #1 - .011

Well #2 - .0091

What is the level of arsenic for each well on your system? Well #3 - .015 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for N/A hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☐ Yes ☐ No N/A

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate sheets for each system.

UTILITY SHUTOFFS/DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination without Notice R14-2-410.C	OTHER
JANUARY	0	2	
FEBRUARY	0	8	
MARCH	0	9	
APRIL	0	5	
MAY	0	5	
JUNE	0	7	
JULY	0	7	
AUGUST	0	5	
SEPTEMBER	0	11	
OCTOBER	0	4	
NOVEMBER	0	2	
DECEMBER	0	0	
TOTALS →		65	

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2009 was \$ 8140.39

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property tax paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED

MAR 11 2010

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY OF (COUNTY NAME))	
Pima	
NAME (OWNER OR OFFICIAL)	TITLE
David Putnam	President
COMPANY NAME	
Rancho Del Conejo Community Water Co-op, Inc.	

AZ CORP COMM
Director Utilities

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS. PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

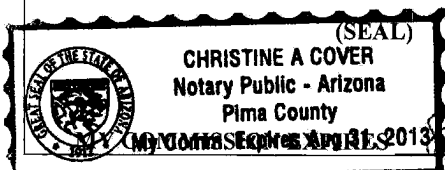
SIGNATURE OF OWNER OR OFFICIAL

520-682-8335
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF P**

THIS 12 **DAY OF**

COUNTY NAME <u>Pima</u>
MONTH <u>March 12</u> YEAR <u>2010</u>



Christine A Cover
SIGNATURE OF NOTARY PUBLIC

See Accountants' Report.

For this reporting period, please provide the following:

Non-profit Corporation (Co-op)

Non-profit Corporation (Co-op)

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

DATE _____

President
TITLE

MAIL 5/11/11

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

AZ CORP COMM
Director Utilities

**VERIFICATION
STATE OF**

Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)

Pima

NAME (OWNER OR OFFICIAL) TITLE

David Putnam, President

COMPANY NAME

Rancho Del Conejo Community Water Co-op, Inc.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH

12

DAY

31

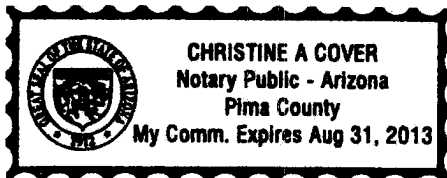
YEAR

2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:



Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 152718

(THE AMOUNT IN THE BOX ABOVE
INCLUDES \$ 8,085
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

12th

DAY OF

(SEAL)

MY COMMISSION EXPIRES

8/31/2013

See Accountant's Report.

COUNTY NAME

Pima

MONTH

March

2010

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

MAR 15 2010

AZ CORP COMM
Director Utilities

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

(COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) David Putnam	TITLE President
COMPANY NAME Rancho Del Conejo Community Water Co-op, Inc.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2009
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS. PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01 ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

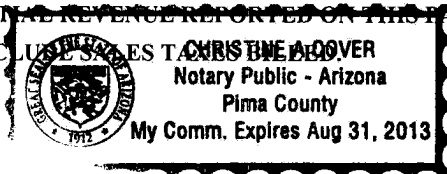
\$ 152718

(THE AMOUNT IN BOX AT LEFT

INCLUDES **\$ 8,085**

IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES**



SIGNATURE OF OWNER OR OFFICIAL

520-682-8335

TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS**

12th

DAY OF

(SEAL)

MY COMMISSION EXPIRES

8/31/2013

See Accountants' Report

NOTARY PUBLIC NAME Christine A. Cover	
COUNTY NAME Pima	
MONTH March	2010

X **Christine A. Cover**
SIGNATURE OF NOTARY PUBLIC

HOLM, HESTAND & VALENZUELA, CPAs, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
3131 NORTH COUNTRY CLUB ROAD, SUITE 109
TUCSON, ARIZONA 85716

DOUGLAS R. HOLM, CPA
EMMA K. HESTAND, CPA
JANETTE G. VALENZUELA, CPA

TELEPHONE: (520) 326-8483
FAX: (520) 795-5191
E-MAIL: HHVCPA@EARTHLINK.NET

COMPILATION ENGAGEMENT REPORT

We have compiled the balance sheet of Rancho Del Conejo Community Water Co-op, Inc. as of December 31, 2009 and 2008, and the related comparative statements of income and expense for the years then ended, included in the accompanying prescribed form in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

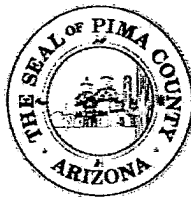
Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and the supplementary information are presented in accordance with the requirements of Arizona Corporation Commission, differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Holm, Hestand, Valenzuela CPAs P.C.

February 18, 2010

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RANCHO DE CANEJO WATER CO-OP
13130 W RUDASILL RD
TUCSON, AZ 85743-9312

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2009 PERSONAL PROPERTY TAXES

REFERENCE NO	TOTAL TAX ASSESSED	DATE
09011151418	\$ 10.28	10/28/2009

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX	INTEREST	MHR FEE	SEIZE FEE	NSF FEE	RECLAIMED REFUNDS	TOTAL
10/07/2009	FULL YEAR	\$10.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10.28
	TOTAL PAID	\$10.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10.28

TAX YEAR 2009 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
MOBILE HOME RELOCATION FEE DUE	\$0.00
SHERIFF SEIZURE FEE DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RANCHO DEL CONEJO COMMUNITY WATER
CO-OP
ATTN: ALBERT LANNON/PRESIDENT
13130 W RUDASILL ROAD
TUCSON AZ 85743-9312

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2009 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
213	12	0820	\$ 16.40	10/14/2009

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
10/06/2009	FIRST HALF	\$16.40	\$0.00	\$0.00	\$16.40
	TOTAL PAID	\$16.40	\$0.00	\$0.00	\$16.40

PROPERTY ADDRESS

TAX YEAR 2009 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RANCHO DEL CONEJO COMMUNITY WATER
CO-OP
ATTN: ALBERT LANNON/PRESIDENT
13130 W RUDASILL ROAD
TUCSON AZ 85743-9312

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2009 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
213	12	150J	\$ 473.77	10/14/2009

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
10/06/2009	FULL YEAR	\$473.77	\$0.00	\$0.00	\$473.77
	TOTAL PAID	\$473.77	\$0.00	\$0.00	\$473.77

PROPERTY ADDRESS

13130 W RUDASILL RD

TAX YEAR 2009 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

EJO COMMUNITY WATER

NON/PRESIDENT
ROAD
-9312

RECEIPT FOR PAYMENT(S) OF 2009 REAL ESTATE TAXES

TOTAL TAX ASSESSED

\$ 64.35

DATE

10/14/2009

PAYMENTS

DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
	\$64.35	\$0.00	\$0.00	\$64.35
TOTAL PAID	\$64.35	\$0.00	\$0.00	\$64.35

ADDRESS

TAX YEAR 2009 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

☎ - Tucson, Arizona 85701-1199 - Phone (520) 740-8341 - Fax (520) 884-4809

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RANCHO DEL CONEJO COMMUNITY WATER
CO-OP
ATTN: ALBERT LANNON/PRESIDENT
13130 W RUDASILL ROAD
TUCSON AZ 85743-9312

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2009 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
213	12	3100	\$ 64.35	10/14/2009

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
10/06/2009	FIRST HALF	\$64.35	\$0.00	\$0.00	\$64.35
	TOTAL PAID	\$64.35	\$0.00	\$0.00	\$64.35

PROPERTY ADDRESS

TAX YEAR 2009 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RANCHO DEL CONEJO COMMUNITY WATER
CO-OP
ATTN: ALBERT LANNON/PRESIDENT
13130 W RUDASILL ROAD
TUCSON AZ 85743-9312

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2008 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
923	20	6020	\$ 7,560.65	3/18/2009

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
03/12/2009	SECOND HALF	\$3,780.32	\$0.00	\$0.00	\$3,780.32
	TOTAL PAID	\$3,780.32	\$0.00	\$0.00	\$3,780.32

PROPERTY ADDRESS

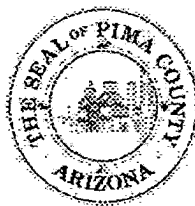
TAX YEAR 2008 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

Beth Ford
Pima County Treasurer



Patti Davidson
Chief Deputy Treasurer

PIMA COUNTY TREASURER'S OFFICE

PIMA COUNTY TAX RECEIPT

RANCHO DEL CONEJO COMMUNITY WATER
CO-OP
ATTN: ALBERT LANNON/PRESIDENT
13130 W RUDASILL ROAD
TUCSON AZ 85743-9312

THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2009 REAL ESTATE TAXES

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
923	20	6020	\$ 7,590.53	10/14/2009

PAYMENTS

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
10/06/2009	FIRST HALF	\$3,795.27	\$0.00	\$0.00	\$3,795.27
	TOTAL PAID	\$3,795.27	\$0.00	\$0.00	\$3,795.27

PROPERTY ADDRESS

TAX YEAR 2009 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$3,795.26
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$3,795.26

ADDITIONAL INFORMATION

FIRST HALF TAXES ARE DUE 10/01/2009 AND DELINQUENT AFTER 11/02/2009. SECOND HALF TAXES ARE DUE 03/01/2010 AND DELINQUENT AFTER 05/03/2010. INTEREST CHARGES ACCRUE FOR PAYMENTS MADE AFTER DELINQUENCY DATES. FOR PAYMENT INFORMATION AFTER DELINQUENCY DATES, PLEASE CALL (520) 740-8341 OR VISIT WWW.TO.PIMA.GOV

Thank you for your payment!

BETH FORD
PIMA COUNTY TREASURER

115 North Church Avenue - Tucson, Arizona 85701-1199 - Phone (520) 740-8341 - Fax (520) 884-4809